



# Interrogating Governance and Leadership Succession Planning in Selected Civil Society Organisations in Ghana

By Solomon Kofi Amoah





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### From The Author

In June 2017, I was privileged to be selected as one of three young academics from across West Africa as Research Fellows under the Next Generation Leadership Programme of the West Africa Civil Society Institute (WACSI) with support from Ford Foundation and Rockdale Foundation. During the three months residential research fellowship at WACSI, I began an exploration of the governance systems of selected CSOs in Ghana and their effectiveness in managing executive transitions as part of my PhD journey. The first part of this exercise lasted only through the time of the fellowship but I continued the subject for my PhD research thesis and came out with some insightful revelations some of which form the basis of this article.

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## List of Acronyms

Acronym	Meaning
CS	Civil Society
CSO	Civil Society organisation
DSW	Department of Social Welfare
ED	Executive Director
NCCE	National Commission for Civic Education
NGO	Non-governmental organisation
NPO	Not –for-profit organisation
STAR-Ghana	Strengthening Transparency, Accountability and Responsiveness, Ghana
USAID	United States Agency for International Development
WACSI	West Africa Civil Society Institute



## Abstract

Despite the recognition of the instrumentality of governance and leadership to the sustainability of non-profit organisations by researchers and practitioners around the world, there is still very limited knowledge on the effectiveness or otherwise of governance in Ghana's civil society sector. This paper is based on an extensive research into governance systems institutionalisation and effectiveness in selected civil society organisations (CSOs) in Ghana which revealed among other things that governance systems and structures of many CSOs in the country are poorly instituted and largely ineffective. It also discovered ineffective management of executive transitions and abrupt departures of key staff and leaders which were due mainly to the absence of succession plans and roadmaps. The paper argues on the basis of the evidence that in the absence of sound governance systems and structures, a CSO cannot be properly described as sustainable irrespective of the amount of financial resources the organisation can mobilise.





## Introduction

Research shows that executives in non-profit organisations are central to organisational operations and so organisations overly reliant on their executive heads become more susceptible to disruptions brought about by their turnover (Stewart, 2016). Meanwhile, it has also been acknowledged that organisations with the right governing structures of a properly constituted board and following well-designed governance processes can become better, stronger and sustainable through leadership transitions (Allison, 2002). It is partly for this reason that the subject of internal structuring, leadership and especially executive succession planning within civil society organisations (CSOs) has gained great attention among practitioners around the world. However, not much of this exists empirically on the subject in Ghana. There is therefore a dearth of empirical evidence on organisational governance and leadership succession management in Ghana's non-profit sector. This inspired an in-depth research into governance and leadership transitions in 2017 through 2018.

This article discusses governance and leadership in the non-profit sector in Ghana drawing on experiences and data from a previous independent research by the author. The paper quizzes whether non-profit organisations (NPOs) in Ghana have the institutionalised structures and practices of good governance that support the effective planning and management of leadership successions in the sector.

## Background

Although it is widely recognised that good governance in non-profit organisations is responsible for transparency, compliance and overall efficiency and effectiveness of organisations (Cornforth, 2012; Ostrower, 2007; Vandyck, 2018; Carpenter & Westphal 2001), not much is known in Ghana about the effectiveness of governance systems in Ghana's non-profit sector. Based on this gap established in the non-profit governance and leadership literature, this research explored governance systems institutionalisation in selected CSOs and examined the effectiveness of these systems. It involved a cross-section of CSO practitioners, board members and experts with interest in the civil society sector in Ghana. The study adopted a cross-sectional exploratory research design and relied mainly on questionnaire administration, in-depth interviews of key informants, focus group discussions and observation in the collection of its data.

In conducting this research, an assessment of governance effectiveness of selected organisations was conducted. The governance effectiveness assessment covered mainly board fiduciary and oversight responsibilities, self-governance of boards, effective management systems and planning. The planning component was measured using the organisations' engagement in succession planning.

The results of the study showed governance systems to be poorly instituted in many of the organisations. It also revealed that practitioners' assessment of the systems' effectiveness was equally less than satisfactory. The poor institutionalisation of governance and particularly, ineffective management of executive transitions, abrupt departures and the lack of succession plans and roadmaps were identified as key threats to the sector's sustainability. The study results confirm the overarching significance of governance and leadership for organisational sustainability in the non-profit sector. In this article, I argue on the basis of the evidence that no matter the financial resources a CSO is able to mobilise, its demise can result from the absence of sound governance systems and structures.



## 1- Why Non-Profit Governance is Such a Big Deal?

Governance is important in all sectors. However, within the non-profit sector where CSOs operate, good governance comes with an added value. It is crucial and indispensable in the non-profit sector. First, NPOs are invaluable in the daily lives of the communities they serve and support. In the non-profit sector, the traditional external disciplinary mechanisms in other economic sectors are often absent or muted to say the least. There is a weakened market for corporate control which is often a check on managerial slack. For instance, in the financial sector, the threat of corporate takeovers and other regulatory interventions (as has been the case in Ghana's banking sector from 2017 through 2019) has been a driver of good performance from managements and effective governance from Boards. This is not the case with the non-profit sector.

Besides, the civil society sector is dominated by non-profits and also lacks institutional investors who often serve as disciplinary check on management under the threat of divesting their shares. Moreover, the block holders or investor activists we hear about in the corporate world are absent in this space, hardly does anyone petition for a seat on a NPO board.

Another factor offsetting the deleterious effects of weak governance is product market competition (Giroud & Mueller, 2011). This is however acknowledged to be a limited commodity in the social economy of NPOs. These organisations are often in specialised fields or services which disincentivises the existence of any competition whatsoever.

Interestingly, these are all market –based (external) disciplinary mechanisms which have been found to be more effective than statutory regulations per se. Kalodimos (2017) even makes a profound point to the effect that the much talked about regulation of the non-profit sector may be a very blunt instrument if not well carved. He asserts that it may be poorly tailored for certain non-profit situations and hence fail to regulate or limit managerial malfeasance in the non-profit sector (Kalodimos, 2017). In the social economy, many of the external disciplinary mechanisms referred to earlier are missing and where they exist, muted. Therefore, the value of internal governance for the sustainability and effectiveness of organisations in the social economy cannot be overemphasised.

There is evidence to the effect that financial issues of NPOs have direct relations with governance practices (Becker, 2018; Feng, Gordon, Neely & Slatten, 2016; Harris, Petrovits & Yetman, 2015). A case in point is Harris et al.'s (2015) study in which they examined the influence of quality governance on donor decision making across 10,846 organisations in the United States of America spanning 2008 to 2010. Using seven non-profit governance dimensions identified through factor analysis and integrated into the standard donor's model, they found evidence to the effect that government grants and donations were positively associated with six out of the seven dimensions of good governance included in the study. Harris et al. (2015) mentions some key governance characteristics that influence financial flows of these organisations to include conflict of interest rules, audit committees and independent audits, board oversight and independence, review and approval of executive compensation, accessibility of financial information and other management characteristics such as the absence of related parties in organisational operations. Similarly, Becker (2018) and Feng et al. (2016) draw attention to the great dividends of voluntary accountability in the non-profit sector.

The challenges of Ghana's CSOs are not much about the civic space nor their freedoms to operate. The present concern of the sector after a careful review of the discourse is mainly with cuts in donor funding and what has been described as challenges with internal democracy and organisational effectiveness to all of which organisational governance is at the heart. Meanwhile, as the literature proves, good organisational governance and especially, being voluntarily accountable has the potential to improve NPO's trustworthiness, quality and good public reputation among others. The value of governance for non-profit sustainability in Ghana can therefore not be underestimated.



## 2- Governance Systems Institutionalisation

Organisational governance is defined by Cornforth and Brown (2014) to include broadly “the systems and processes concerned with ensuring the overall direction, control, and accountability” of an organisation (Cornforth & Brown 2014, 4–5). This means that the governance system goes beyond just the board to include the generality of responsibilities within which an organisation operates (Cornforth, 2012). There is a convergence in the extant literature (especially from practitioner circles), on the characteristics that make up good governance in organisations. These characteristics they agree fulfil the fiduciary and legal responsibilities that promote effective board performance based on board roles and responsibilities. Bernstein, Buse and Bilimoria (2016) and Vandyck (2018) agree on these to include the board’s responsibility in setting the organisation’s mission and purpose, selecting the chief executive, supporting and evaluating him or her, engaging in strategic planning, oversight of programmes and services of the organisation, and ensuring financial, ethical, and legal oversight. Others include fundraising outreaches and the recruitment of new board members which is an important part of the board’s management of its own affairs.

Within the civil society sector, internal accountability mechanisms are institutionalised through effective governance structures and there are a set of standards within the sector that are agreed to be the main indicators of effective governance structures (Trivunovic, 2011; Gill et al., 2005). In many jurisdictions, these standards exist as self-regulatory mechanisms which may include a clear

governance structure in terms of the role of the principal governing body (in this case, the Board or Executive council) with clear separation from executive management.

This research explored the institutionalisation of these governance structures and systems in selected CSOs in Ghana. It sought mainly to find out the extent to which the CSOs institutionalised among others, structures and systems that are thought to specify accountability, clear governance structure in terms of the role of the board, clear separation of board from management functions, and clear leadership succession plans (Bernstein et al., 2016; Trivunovic, 2011; Gill et al., 2005).

From the study’s report, it is commonplace for CSO leaders to equate the board and what the board does to organisational governance. While Cornforth (2012) disagrees with this kind of assumption, it is clear from literature and indeed practice that the existence and effectiveness of a governing board is fundamental to all other governance processes and practices. Governing boards are known to often assume responsibility for the general health, sustainability and operational efficiency of organisations by working on policy, planning and other fiduciary and oversight responsibilities.

The study revealed among other things that all CSOs – small and big, local and international, had at least, in theory, governance structures and systems exemplified fundamentally in the constitution of a board or governing council. This is however not necessarily so because the boards and accompanying systems in the organisations are always constituted true to the real purpose boards serve. The ‘structures’ are actually a requirement in registering organisations under the companies code and as not-for-profit (NPO) limited by guarantee in Ghana even before subsequently registering with the Department of Social Welfare (DSW) for a non-governmental organisation (NGO) license. In the following quote, Abedi, a 62-year-old non-profit founding manager speaks to the theoretical existence of many components of his organisation:

*... for about four years after registering the organisation with social welfare, it was more or less like a -one -person NGO. I was a lone ranger. Every other thing was only on paper. It was in my fifth year that I began to get some recognition and a team to work with but still the issues of board hasn't been so important now, sincerely, no.*

**(Abedi, a 62 year old founding manager of a CSO).**



Mensah Baa makes a similar point in the quote below:

*In our case, the registration required that we have a board of directors so we made sure there was that list but that is just it. It's been exactly six years now and still the challenge is how to have that board function. There's been like two meetings but even that was difficult to put together. (Mensah Baa is Executive Director and founder of an NGO in Education).*

For a considerable number of the organisations therefore, the registration requirements drive the 'institutionalisation' of boards and ensuing structures. There are also indications to the effect that the 'theoretical existence' of the governance structures in many cases aided in the sourcing of funds and reporting to donors but not necessarily aiding the operations of the CSOs in question. Consider the following quotation from an interview with one Executive Director:

*We try to explain to them that if they do not help us by meeting and those things to show that we have a system, getting funding for our projects will be hard and that will also mean a collapse of everything we have stood for all these years. They understand and so they meet when we have projects that require these things...*

**(Voran, an Executive Director of a Development NGO).**

Mag, who is also a CSO practitioner and a programme officer made a similar admission during the focus group discussion session:

*We don't actually meet. For a whole year and the board hasn't met. Okay, and so you have to resort to online meeting, using the internet for meeting and those things. You realise that and even with that just like the input she made earlier [referring to another discussant], someone will tell you oh I have a meeting you know, at this particular time and you realise that it's a five member board, you have three people meeting and that is online as well. So you realise that it's not so effective and if it's not so effective you don't want to ... like look at, spend so much time looking at what the board brings on board. You*

*tend to run things alone management (Mag, Programme Officer).*

Interestingly, this is something that the office with the responsibility to issue and renew the NGO licenses – the DSW – is perfectly aware of. Officers of the DSW admit that the existence of structures only on paper is indeed the case for a key number of organisations they register.

*...they are in the majority. Really, their boards don't function. It functions when there's a need for funding issue or something that's coming in, then quickly boards come along. But as I said it's just for the registration purposes, ... there's a named board but they don't work*

**(Dag, DSW officer -NGO Office, Accra).**

While making this admission, the officer also pointed out the office's lack of the regulatory power and resources to ensure that these things are done right. Even though this admission may appear disheartening, however, anyone with a fair idea of the Department of Social Welfare in Ghana would find this admission ostensible. This notwithstanding, there are organisations with governance structures and systems that can be described as functional and most of these are well known organisations headquartered in the national capital and are ran professionally. In the analysis therefore, one finds that some positive cases exist when it comes to governance systems institutionalisation but as would be appreciated by all those familiar with the non-profit terrain in Ghana, organisations that have these minimum required governance systems in place appear to always be in the minority. The research further revealed these organisations as mainly those with a considerable number of paid employees, sizeable operating budgets and in most cases, some international operations or affiliation.

Tersely, many organisations in the sector lack among other things the structures and systems that specify accountability, internal conflict of interest rules, effective financial management systems and clear separation of board from management. Particularly also, practitioners' assessment of organisations' performance in institutionalising succession plans arouses a lot of curiosity. The institutionalisation of clear leadership succession plans (refer to Table 1) which is seen in the existence of formal succession plans is rated exceptionally poor in the sector.

Unusually, institutionalisation of succession planning appears to be one thing which is not happening in all sizes of organisations. For example, in many of the so-called well-structured CSOs, succession plans are now being considered despite their many years of operations and success stories.

*At the moment, under a kind of an institutional renewal programme that we have, within the next couple of years, we actually will be coming up with more explicit principles you know for leadership transition. Yeah, in terms of preparing the organisation for the next generational leaders and this is part of the plan which we are hoping to decide on come August –September*

**(Asempa, ED of ABC, a Pan African research and advocacy organisation).**

Mertly (Deputy Director at AAA in Accra) when asked about whether his organisation had instituted formal succession plans to guide their transitions had this to say:

*I would say that at least we are in the process of institutionalising that because we going through at least at the main level of either replacing heads of departments; now we have a process in place to do that, I mean it would become institutionalised I guess when we've done these transitions a couple of times but I think some of the key aspects of it is done as much as possible you know. You need to draw on I think..., outside help is good*

**(Mertly, Deputy Director).**

So quite clearly, even in the fairly structured and 'well – managed' CSOs, the process of transition at the executive level is yet to be given consideration. It still remains a hope for many. It is therefore not surprising at all that many of these organisations report of not having formal succession plans.

Also, most practitioners and non-practitioners agree that many governing boards in the non-profit sector in Ghana are not functional boards. They describe the boards in most cases as decorative.

*So while the board members should continue deciding on matters like 'who do we need to bring in, and who amongst us is tired and needs to go?', this is not the case. It is not happening; and that is the reality. I have been in this space for long and I can assure you that you won't find 3 out 10 who really do that. They are too busy with their lives so to speak*

**(Razat, an academic).**

*Most of the time, I say we have a lot of decorative boards. They are not functional, just decorative; but for me I think one of the things people are forgetting is that, you are not doing this for registration. People have to understand that the board will help your organization grow*

**(Nat, Researcher).**

**Table 1: Extent of governance systems institutionalisation in the CSOs**

Governance systems indicators	Mean	Std. Deviation
Structures and systems that specify accountability	1.6014	.78887
Internal conflict of interest rules	1.7770	.90216
Clear operational structures and policies	2.1824	.99000
Financial management systems	1.8784	.67919
Clear governance structure in terms of the role of the Board	1.9865	1.03007
Clear separation of board from management functions	1.7432	1.13762
Clear leadership succession plans	.8716	1.42514

Source: Fieldwork by Author (2018)

To be precise, often, a list exists and may even be on the organisation's website but the function of the board in the organisation never really takes off. The dominant situation in most 'small' CSOs is that executive directors (and mostly founding directors) assemble a few friends and relations as directors for purposes of registering their organisations and this often remains without any real board activity:

*We had not really thought so much about what even goes into putting together a good board but this was a requirement for the initial registration. So, you know, we produced a board and for several years we've sincerely been struggling to keep them together and doing what should be done. It's been almost five years and the list hasn't changed. There's been only one addition but that hasn't changed anything much*

**(Boi, a CSO founder).**

Significantly also, a majority of CSO leaders in discussing the relevance of institutionalising these governance systems, emphasise their importance for effective control and accountability.

Quite curiously however, in discussing these systems and how they work in the organisations, many tend to accentuate their overriding importance for being accountable to or meeting the expectations of donors rather than ensuring internal control and good governance practices. As such, while admitting that engaging in good governance practices ensures accountability, the organisations mainly use reports (annual reports) as their accountability tool and in most cases, it does appear that it is only when clients and beneficiaries read the annual reports that one finds some downward accountability taking place.

To donors/ funders therefore, they maintain they have remained accountable using quarterly reports and other project performance assessment tools:

*We adhere to all the reporting protocols of our funders and we sometimes use different tools and styles to render accountability. You know, depending on the quarters your resources are coming from, the reporting protocols are different and we try as much as possible to amend to each one of them*  
**(Sam, ED of an NGO in Accra with international operations).**

*You know, anything we get from donors, we account for it. Most of the time some tend not to value it and even in accounting for instance it becomes problematic so anytime you get money from a donor, in some sense people think its free money. Here, it's not like that; it's a donor grant given to you to do a project and so we report to them. Some people feel that "mako ye project naba" so it's done. No.*

**(Daddy, Senior Programme Officer of a capacity development CSO).**

It is also clear that speaking of what many CSOs account for, finances remain high if not the sole object. A further interrogation of narratives from the field reveals that the few indications of good governance in the CSOs are often induced by funding requirements and the threat of losing out on external donor support. Similar to the position on registration-induced structures, in institutionalising governance systems and practices, there remains an issue of compliance to the letter of regulatory statutes/ requirements with short term effects to the neglect of the spirit which goes to the core of organisational sustainability.



### 3- CSOs' Governance Effectiveness Outlook

As was mentioned in the preceding section, even though governance goes beyond the activities of boards, governing boards often assume responsibility for the health and operational efficiency of organisations with a focus on policy, planning and oversight responsibilities and a significant investment in improving management systems and structures (Vandyck, 2018, p.2).

While many organisations in the non-profit sector have governing bodies in the form of boards of directors, the ensuing governance systems as generally described by the various indicators lack the required effectiveness in the majority of organisations studied. Figure 1 presents the performance of organisations along the four governance effectiveness measures of board fiduciary and oversight responsibilities, management systems, planning, and

At best, the performance in Figure 1 can be described as lopsided in the sense that management systems and boards' self-management are given average rating which is slightly higher than other equally important issues of board fiduciary, oversight and the planning function.

One important deduction made from the ineffective governance systems of the sector as has been demonstrated by the data was that, the desire for flexibility remains one of the key reasons for which some CSO leaders enjoy weak governing boards and systems. As managers, they sometimes want to be able to change their focus whenever they find needful. Meanwhile, this observation in part informs the demand of some stakeholders for a regulatory framework for the civil society sector separate from the

Companies Act. This in the view of these stakeholders will ensure a strong requirement for CSOs to remain true to their mission and social objectives. In such a framework, if an organisation were to change its mission, it would have to go back to the registration authority and change it. That done, an organisation cannot for example be a governance NGO then when there is free maize coming from the United States of America for distribution, they immediately start distributing maize which is unfortunately, the common behaviour of many of the organisations in the country. Many organisations are project dependent and so their focus changes according to the wind of aid flow. Consequently, many of such organisations and their leaders are not supportive of effective governing boards and board processes.

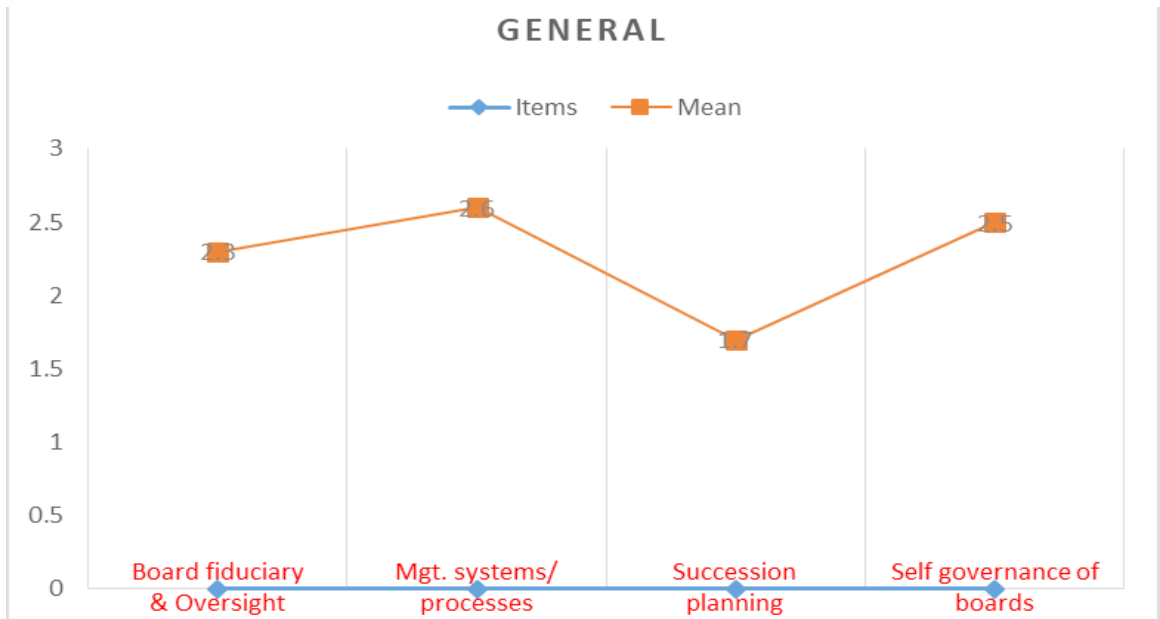


Figure 1: Mean distribution of governance effectiveness quotients

Source: Fieldwork by Author (2018)



**Table 2: Relationship between levels of governance structures and systems institutionalisation and organisational type**

Type of organisation	Individual/ Network	Levels of Governance Structures and Systems Institutionalisation		Total
		Low	High	
Local	Individual	92	14	106
		86.8%	13.2%	100.0%
	Network	10	9	19
		52.6%	47.4%	100.0%
	Total	102	23	125
		81.6%	18.4%	100.0%
$\chi^2$ statistic = 12.52, df (1), p value =0.0001 <0.05				
International	Individual	12	9	21
		57.1%	42.9%	100.0%
	Network	1	1	2
		50.0%	50.0%	100.0%
	Total	13	10	23
		56.5%	43.5%	100.0%
$\chi^2$ statistic = 0.38, df (1), p value =0.85>0.05				
Total	Individual	104	23	127
		81.9%	18.1%	100.0%
	Network	11	10	21
		52.4%	47.6%	100.0%
	Total	115	33	148
		77.7%	22.3%	100.0%
$\chi^2$ statistic =9.06, df (1), p value =0.003 <0.05				

Source: Fieldwork by Author (2018)

It must be admitted that in some of the big national organisations headquartered in Accra and in networks in particular, sound governance structures and systems exist but as has been mentioned earlier, these organisations are in the minority in terms of numbers. The same is the case with CSOs with international operations or affiliations. In these kinds of organisations, the likelihood of governance systems institutionalisation as well as their effectiveness is high. This fact is supported by field data and indeed among all background characteristics of organisations, type of organisation (whether international, local, individual or network) was the most likely interpreter of governance systems institutionalisation and effectiveness in my research. Table 2 presents details of a cross tabulation of type of organisation and governance structures and systems institutionalisation.

Participants' assessment of governance systems institutionalisation in the CSOs while generally low (below average) in local CSOs with operations in –country, the poor performance appear to be particularly abundant in individual organisations (86.8%) compared to networks (52.6%). This difference between the networks and individual organisations according to the chi- square test is statistically significant ( $\chi^2$  statistic = 12.52, df (1), p- value =0.0001 <0.05). The same can however not be said of international individual CSOs or networks. The differences in averages across these organisational types were not significant ( $\chi^2$  statistic = 0.38, df (1), p value =0.85>0.05).

On the whole however, comparing individual organisations (local and international) to networks (local and international), networks are more likely to institute effective governance systems (47.6) than individual organisations (18.1%). As the chi statistics show, this difference is statistically significant. Similar to these, boards' effectiveness in performing their fiduciary and oversight roles in their respective organisations is equally appraised low in local CSOs compared to international CSOs. The Chi- statistics showed that the difference between individual CSOs (30.1%) and networks (66.7%) as

regards the board's performance when it comes to their fiduciary and oversight roles was found to be statistically significant ( $\chi^2$  statistic = 10.50, df (1), p value = 0.001 < 0.05 ).

The general performance of organisations in the governance effectiveness assessment covering key areas of the framework (board fiduciary and oversight, board self-governance, management systems, and planning) as has been mentioned earlier was less than satisfactory. Only 33.3% of the survey participants scored their organisations above the average score of 2.5.

**Table 3: Overall governance effectiveness performance and type of organisation**

Type of organisation	Individual/Network	Overall governance effectiveness performance		Total
		Low	High	
Local	Individual	86	20	106
		81.1%	18.9%	100.0%
	Network	10	9	19
		52.6%	47.4%	100.0%
	Total	96	29	125
		76.8%	23.2%	100.0%
$7\chi^2$ statistic = 7.35, df (1), p value = 0.007 < 0.05				
International	Individual		17	17
			100.0%	100.0%
	Network		2	2
			100.0%	100.0%
	Total		19	19
			100.0%	100.0%
		Not Applicable		
Total	Individual	86	37	123
		69.9%	30.1%	100.0%
	Network	10	11	21
		47.6%	52.4%	100.0%
	Total	96	48	144
		66.7%	33.3%	100.0%
$\chi^2$ statistic = 4.01, df (1), p value = 0.045 < 0.05				

Source: Fieldwork, Amoah (2019)

In line with the segregated performance, individual organisations rated low in the global rating of CSOs' governance effectiveness (30.1%) compared to networks (52.4). While 47.6% of the respondents from networks rated their organisations governance effectiveness below average, the 22% difference in the above average ratings of these respondents (individual -30.1% & networks -52.4%) was statistically significant ( $\chi^2$  statistic = 4.01, df (1), p value = 0.045 < 0.05). What this suggests is that networks and coalitions were more likely to have

effective governance systems compared individual organisations without subscribers. The nonexistence of proper governance structures and systems is also largely because some non-profit boards happen to be competent, yet busy individuals brought together to support the organisation with their reputation without any clear design of what their role should be. Some small and even well-established CSOs face this challenge and indeed, many of the governance deficits uncovered in the field could be blamed on four (4) related factors:

1. The lack of understanding on the part of some board members of their place in the organisations;
2. The composition of the board usually to include friends and family relations;
3. Founders' lack of understanding of the value of governing boards for organisations;
4. The lack of clear distinction between the role of the board and that of management in the organisations.

During this research, some of the CSOs encountered showed evidence of what could best be described as dysfunctional boards. A critical interrogation of the narratives provides possible explanations for why that is so. Key among them, many of the executives feel that the people they put on their boards usually do not have time. For many, it is exceedingly difficult attracting the right board members and getting the right fit – people who add value to the organisation. Therefore, most of these organisations when they start, usually start with family and friends. They essentially pack the board with family members or other relations who may not be right fit necessarily and so really the board activities do not take off.

In many CSOs therefore, there is a very strong charismatic founder who is very passionate about whatever organisation s/he has started and wants to have some control because he feels that if s/he secedes some of his/her power to the board, the organisation may lose the vision and in order to have that control, s/he invites friends and people who cannot really play that independent role onto the board.



## 4- Governance and CSO Sustainability

Undeniably, no one and no legislation officially threatens the existence and growth of CSOs presently in Ghana. Paradoxically however, it would be erroneous to think or argue that the sustainability of CSOs in Ghana is not threatened. Whereas CSOs in the country continue to articulate citizens' demands, rights and interests, and provide goods and services to population mostly unreached, the sector's continuous existence and effectiveness is not guaranteed if they are poorly governed, and do not have the resources (both financial and human) to pursue their social objectives. Indeed, lack of accountable and transparent systems and the dwindling trust levels in the sector have been identified by key institutions like WACSI and STAR –Ghana as threats to organisations in the sector.

While there are still concerns that questions regarding civil society's long term existence, the credibility of the institutions in the sector, their impact, efficiency, and effectiveness are not being raised from within as would have been expected of a sector as self-critical as civil society, the sector in Ghana like many others across the globe is at a time that its sustainability concerns are taking centre stage (Arhin, Kumi & Adam, 2018; Weerawardena et al., 2010; Gyimah –Boadi & Markovits, 2008; Hailey & Salway, 2016; Pousadela & Cruz, 2016; Vandyck, 2014). Although there have been discussions on this, much of the discussion has centred on financial sustainability (Arhin et al., 2018; Gyimah –Boadi & Markovits, 2008; Hailey & Salway, 2016; Vandyck, 2014). Where some attention has been given to the operational sustainability of civil society organisations in the country (Lewis, Boateng, & Hayman,

2015; Darkwa, Amponsah & Gyampoh, 2006), it has largely been to the neglect of the critical role of governance and leadership even though it is widely accepted that sustainability goes beyond just being financially vibrant (WACSI, 2015, p.16-17). It has everything to do with how organisations are governed which also includes the management of transitions the organisations go through when one executive director has to leave for another to take over.

Leadership and leadership transition in particular has been described as a defining responsibility and one of the critical roles of governing boards. The changes which often accompany structural growth of organisations have great challenges that have a greater potential to threaten the existence of non-profit organisations.

Indeed, all around the world, small businesses and particularly non-profits which become successful often face the challenge of replacing a one-man or family-run with more institutionalised structures. It is often difficult to have these organisations create independent governance systems with expert roles to help them thrive. While this problem is not peculiar to non-profit organisations, it is crucial nonetheless in non-profits because of their "public nature". These organisations use public funds (whether internal or external, it is funds from some public); and they are intended as organisations to influence public business as has been the case for decades. Yet, many civil society organisations have failed to effectively sustain their identity, activities, and influence in the third sector of the

economy largely due to the problems of structural growth and its accompanying changes.

Many have not been able to survive transitions especially in the executive leadership in Africa and beyond. While a transition may appear guileless, it has been acknowledged in literature that any change in leadership represents a huge adjustment in the life of an organisation (James, 2017; Froelich, Mckee, & Rathge, 2011; Chapman & Vogelsang, 2005; Golensky, 2005). This change comes with it great organisational risks. While it could be the end of an organisation's existence, on the other hand, it could mark a positive new beginning for another.

Some CSOs in Ghana have significantly worked to develop long-term strategic plans, administrative and financial policies, with clearly defined roles. Notwithstanding, governance and leadership continues to be an important gap in the NPO sustainability discourse because of the not so pleasant experiences of leadership transitions in the sector. Leadership transitions have been described as taking an organisation through the furnace because of the uncertain outcomes it is clothed with. It is indeed a kilning with a fifty-fifty outcome. While agreeing that leadership transition is an essential part of organisational development, some have likened it to 'a heart transplant' (James, 2017; Linnell, 2004; Allison, 2002; Stewart, 2016) requiring great care and skill to be successful and healthy. However, as the evidence from the field shows, the systems required for the success of this process are often absent or ineffective in the civil society sector in Ghana.







## 5- Strengthening Governance and Leadership Transitions: Some Key Recommendations

Despite the demise of organisations due mainly to executive actions and inactions, there is also evidence of organisational qualities that buffer against executive incredulity often found in appropriate governance structures, systems, and processes. The paper therefore recommend among other things, the following as key to strengthening governance and executive transitions in the CSO sector in Ghana:

### 1. The state and its agencies:

- a. The regulatory framework / regime within which civil society organisations operate should be reconsidered to ensure effective governance of organisations in the civil society sector. The community CSOs in Ghana should come together and develop a legal regime (example could be the NGO Law) to guide the entire operations of CSOs in the country. This Law could set up a new regulatory body for the sector. The most important thing is that the State should not lead the development of this legal framework.
- b. The National Commission on Civic Education (NCCE) should educate the citizenry on what it means (that is, stewardship and legal responsibilities) to accept to serve as a member of a board member of an organisation (be it for-profit or non-profit).

### 2. Civil Society Organisations

- a. CSOs should eschew the habit of assembling friends and family when constituting their boards. Also, the purpose and key roles of board members must be clearly spelt out to them through extensive orientation programmes.
- b. The process of selecting a chief executive is so important and must therefore remain on the front burner of every non-profit governing board. This should never be made an executive function and that fact should be made clear to all organisational actors.
- c. Organisations should be prepared for changes that accompany executive transitions and formal succession plans should be developed and taken seriously if the non-profit sector is to survive and thrive.

### 3. CSOs, donor agencies and development partners

- a. Research shows that individual donors lack the capacity to scrutinise the effectiveness of the NPOs they often donate to. Development partners of these organisations should show demonstrable interest in how these organisations are governed by assisting them to institute measures for effective feedback and supervision of the activities of the organisations they support.
- b. Development partner's lack of interest in supporting the administrative development of CSOs requires a rethink. Due to this policy, many organisations are executing huge projects but lacking the structural ability to sustain their activities beyond funding cycles. It would be useful to use the funding opportunities to develop the governance structures and systems of the organisations towards ensuring their sustainability.





## Concluding Remarks

The continuous existence of CSOs in Ghana is not threatened by the regulatory environment and one can indeed say safely that the challenges of narrow civic spaces faced by many CSOs across Africa and Latin America cannot be claimed to be the case in Ghana (USAID, 2018). Civil society has been free to operate at least during the 4th Republic. It is even instructive to note as acknowledged by earlier research in the sector that recent past attempts and the present calls for a regulation of the sector are all calls stemming from the thinking that CSOs enjoy too many freedoms needing an abridgment (Atuguba, 2015, p.86). Civil society operates freely and is part of the country's democracy and related successes (USAID, 2018). They have indeed become indispensable partners in Ghana's democratic experiment. In all sectors of public service and interest, governance practices remain important in safeguarding safety, routine feedback, strategic involvement, monitoring and improvement in quality. These practices are led by the governing board in all forms of organisations. As the bodies with oversight responsibility in organisations, governing boards are saddled with the ultimate responsibility of upholding the quality of the activities and entire behaviour of the organisations they serve including its agents. They are to define and manage the objectives, strategies, priorities

and also the control systems of their organisations. This fundamental expectation is even greater when we speak of non-profit organisations. This is partly because of how the sector is funded and its socio-political significance. However, as it is now, governance practices in the non-profit sector is generally nothing to write home about. So, the earlier founders, managers and the state become concerned and take steps that would improve the quality of governance in the non-profit space, the better.

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